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C O N F I D E N T I A L SECTION 01 OF 03 GUANGZHOU 032380

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SUBJECT: Hostage Taking Again in Same Township: Do Foshan's Land Conflicts Have a Connection?

Ref: A) Guangzhou 32264; B) 05 Guangzhou 29647

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- 11. (U) Classified by Consul General Robert Goldberg. Reason 1.4 (d).
- 12. (C) SUMMARY AND COMMENT: Approximately 1,000 villagers in Foshan, Guangdong Province, stormed the local village committee office on November 30, to protest illegal land sales and to demand the release of 23 village representatives detained the previous day, according to Western and Hong Kong media sources. During their attack, the villagers took hostage relatives of two local officials, releasing them the next day. Eighteen villagers remain in police custody and are likely to face charges of "disturbing public order." Conflicts over land have been more frequently reported of late in Foshan. One contact suggests that local activists with experience from the 2005 Taishi incident and connections to the Rights Protection Movement are helping to instigate conflicts. These activists are likely to remain locally-based because of the government's hostility toward and reprisals against collective protests. END SUMMARY AND COMMENT.
- 13. (SBU) Villagers in Xichong Village, Lunjiao Township in Foshan City (an hour southwest of Guangzhou) have been complaining for almost a year to local officials about the "illegal" sale of 1,000 mu (165 acres) of their farmland. On November 29, according to media sources, local Public Security Bureau (PSB) officials invited representatives of the village to discuss their complaints with the land developers. Police moved in and detained 23 representatives from among the group. Radio Free Asia (RFA) reported that among those detained, five were new village leaders who had been elected to replace allegedly corrupt officials.
- 14. (SBU) On the evening of November 30, media sources said that approximately 1,000 villagers stormed the local village committee office to demand the release of the detained village representatives. The villagers also took the wife of a former village party secretary and the son of a local official hostage, releasing them on December 1. Meanwhile, on November 30, five of the older village representatives were released by police; however, media sources say the other 18 remain in detention. On December 1, the Lunjiao police station issued a statement, saying

that the 18 detained people had violated the criminal law and will be sentenced later. Many suspect the charge will be "disturbing public order." On December 4, the Consulate contacted the Shunde Foreign Affairs Office (FAO), who said they were unaware of the issue.

Background to Protest

(SBU) At the beginning of this year, angered by the 1,000 mu corruption scandal, villagers began to organize a land investigation team to collect evidence of the illegal land transaction for submission to the provincial government. The Falun Gong backed Epoch Times reports that the Foshan Land Resources Bureau has confirmed that part of Xichong's land development was based on illegal transactions. Unable to resolve the issue, in March the villages began to blockade construction projects in the area. The Epoch Times reported that in June one land development company used a gang of thugs to disperse the villagers and force the construction project to continue. The RFA reported that on November 23, hundreds of villagers surrounded a plastics factory built on farmland, demanding to see land transfer documents. The factory refused to cooperate and the protest was handled without incident.

Shunde: A District Headed for Problems?

16. (C) The Xichong incident is the latest example of problems in Foshan. Foshan's southern districts of Nanhai and Shunde have had numerous land conflicts, particularly within Shunde's Lunjiao Township. The SCMP's Leu Siew Ying (protect) told Congenoff she believes Foshan is an area that is "heading for some serious problems." She recently met with representatives from five villages - Beihai, Xiashi, Licun, Xintang and Xichong itself - all located about 10 minutes outside of Shunde's downtown. In the past two years these villages had elected independent candidates

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to their village committees. However, after taking office, the new leaders discovered that the old guard had taken away accounting and land deed documents, preventing the villagers from claming rights to local land. After at least a year of trying to petition for change, the villagers turned to non-peaceful means to protest their injustices.

- 17. (C) On November 8, in Sanzhou village (Lunjiao Township), villagers protested a similar land compensation issue by detaining approximately 300 officials and foreign dignitaries in the granary they had come to open (ref A). On November 9, approximately 1,000 riot police used tear gas and attack dogs to clear out the protestors (no arrests or injuries have been reported). According to Leu, the hostage tactics used by the villagers had a connection with Foshan Triad members. A few months before the Sanzhou incident, some Sanzhou villagers traveled to Guangzhou to petition the provincial government but were attacked by hired thugs before reaching the city. One of the villagers attacked had a brother who is an influential member of the Foshan Triads; the latter supposedly helped the villagers plot their hostage taking.
- 18. (C) Another incident that has attracted outside attention is the secret arrest of seven villagers (who were protesting illegal land seizures) in Nanhai's Sanshan village in June. On September 18, the villagers' court hearings began, sparking interest among Chinese dissident circles. Leu also mentioned that villagers near the Wusha Industrial Park (10 minutes east of Shunde's downtown) are discussing preparations to blockade the area and possibly take government officials hostages.

Foshan's Problems: Land, Corruption and Protest

- 19. (C) Joe Zhou (protect), a Guangzhou-based businessman with many connections in Foshan, said that Shunde is a troubled area. On the one hand, the area is booming with economic growth as municipal leaders tout a plan of "two homes and one flower" (liangjia yihua) meaning a development focus on the products of household furniture and household electronic appliances, leading to prosperity. On the other hand, the area faces a land shortage. A few years ago one mu (0.165 acres) was worth 200,000 RMB (USD 25,000), today the figure is "much higher."
- 110. (C) Zhou also recently had dinner with the head of Foshan Public Security Bureau (PSB), who said he was worried about two major issues: corruption and protests. The Foshan PSB official said that the city has many corruption scandals waiting to happen. According to Zhou, the previous Party Secretary of Shunde (now Party Secretary of Guangdong's Qingyuan) was very successful at attracting investment and was sent to Qingyuan in order to improve the city's development. The Party Secretary initially did not want to leave Shunde and was only persuaded after Party leaders threatened him with serious corruption charges. The PSB official also expressed his fear of protests. Zhou said that Foshan recently had a 3,000 person urban protest over the requirement of an identity card worth USD 50. While the protest was not widely published, the police felt "powerless" against the crowds. Zhou said that the PSB fears rural protests because the problems cannot be eliminated through quick police changes.

Connections to Panyu's Taishi

111. (C) On December 5, the SCMP's Leu told Congenoff about how the 2005 Taishi incident (ref B) rose to international attention and its connection to current protests in Foshan. Taishi is located in Guangzhou's southern Panyu district, an area of rapid economic growth with scarce land; it borders Shunde to the east. Leu said the connection between the 2005 protests in Taishi and the current Shunde protests is a local Panyu activist named He Jinchao (protect). In 2005, He went to Beijing to petition Central Government leaders about problems in the Panyu area. There he met villagers from Taishi and met with representatives from the EARI who were frequent visitors to Beijing's "petitioner village." According to Leu, He was then put in touch with members of Gao Zhisheng's law firm, including Guo Feixiong. After hearing He's description of the Taishi

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incident, Guo went to Taishi to defend the villagers. While in Beijing, He also learned how to contact international media sources - which he later passed onto the Taishi villagers. He Jinchao was held once in 2005 for 105 days (related to the Taishi incident) and once in June of this year for 15 days (Leu wrote a July 9 story about the latter incident).

112. (C) Additionally, Leu described how the ideas and works of activists are spreading into Foshan. Leu noted that with the reassignment of Panyu's former Party Secretary Li Xuhun to Huizhou, Mayor Zhang Guanglin had

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become more active in reducing the number of protests. Consequently, some activists were now focusing on Foshan where Leu said that He Jinchao is "very active," advising villagers on their rights and informing international media about the situation. Reportedly Zhao Xin, leader of the Empowerment and Rights Institute (a Beijing-based rights group), was also drawn to Foshan because of He's influence. Leu noted that two other incidents related to land and corruption in Panyu that she has reported were inspired by local activists, who researched PRC law and discovered

legal means to petition for their rights. Mobile phones and personal travel remain the best form of communication, as few villagers have access to the internet. Because of Shunde's proximity to Panyu, and the villagers' relative wealth (villagers have motorcycles and cars), Leu assumes that Shunde villagers either visited Panyu villagers during moments of crisis, or have been visited and advised by Panyu's activists themselves. Leu said that the Panyu activists have discarded the idea of founding a formal organization as too dangerous.

Comment: All Politics is Local

 $\P13$. (C) In the coming months, Foshan will continue to be an area of increased rural unrest, unless the Guangdong government can resolve villagers' complaints. The Provincial government has taken some steps to establish criteria for land compensation but otherwise does not seem to be intervening in district or village-level conflicts until they turn violent. At that point, the government steps in to support the bureaucracy and to arrest or intimidate protestors. The ideas and tactics of the Rights Protection Movement appear to have trickled down to local villagers, who are themselves becoming small scale activists and "connectors" between villages. Such activities are likely to remain locally-based because of the government's hostility toward and swift resistance against collective protest. The use of hostage taking, while counter-productive in the long run, is becoming more prevalent as well: used in Foshan in various places in the past, and twice in Dongzhou, where at least three villagers were killed in December 2005.

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